



JTPA

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Serving the People of California

DIRECTIVE

Date: August 17, 1995

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TO: SERVICE DELIVERY AREA ADMINISTRATORS
PRIVATE INDUSTRY COUNCIL CHAIRPERSONS
JTPD PROGRAM OPERATORS
EDD JOB SERVICE OFFICE MANAGERS
JTPD STAFF

SUBJECT: ADJUSTMENT OF SERVICE DELIVERY AREA PERFORMANCE
STANDARDS

EXECUTIVE SUMMARY:

Purpose:

This Directive establishes state policy and procedures for the submission and approval of requests for adjustments to performance standards for individual Service Delivery Areas (SDA). This Directive also encourages SDAs to seek such adjustments when appropriate.

Scope:

Adjustments are considered appropriate to account for local conditions which may negatively affect an SDA's ability to meet its model-adjusted performance standards.

Effective Date:

This Directive is effective on its release date.

REFERENCES:

- Job Training Partnership Act (JTPA) Section 106 (d)
- Guide to JTPA Performance Standards for Program Year 1994 and 1995, (Guide) dated July 29, 1994
- Guide for Setting JTPA Title II-A and Title III Performance Standards for Program Year 1990, (TAG)
- Training and Employment Information Notices No. 22-90, 22-90 Change 1 and Change 2, (Update of Part G, Further Adjustments by the Governor, of the TAG)

STATE-IMPOSED REQUIREMENTS:

This document contains state-imposed requirements. These requirements are in ***bold italic print***.

FILING INSTRUCTIONS:

This Directive replaces Directive 87-19 (REV. 1), which should be placed in an inactive file.

BACKGROUND:

The Job Training Reform Amendments of 1992 amended Section 106 to require adjustments to performance standards. Previously, adjustments were allowed, but not required. Governors are required to adjust standards for local area factors, based upon:

- Specific economic, geographic and demographic factors.
- Characteristics of the population to be served.
- Demonstrated difficulties in serving the population.
- Types of services to be provided.

Adjustments must be within parameters established by the Secretary of the Department of Labor (DOL). The parameters are:

- Procedures for adjusting performance standards must be:
 - Responsive to the intent of the Act.
 - Consistently applied among the SDAs.
 - Objective and equitable throughout the state.
 - In conformance with widely accepted statistical criteria.
- Source data must be:
 - Of public use quality.
 - Available upon request.
- Results must be:
 - Documented.
 - Reproducible.
- Adjustment factors must be limited to:
 - Economic factors.
 - Labor market conditions.
 - Geographic factors.
 - Characteristics of the population to be served.
 - Demonstrated difficulties in serving the population.
 - Types of services to be provided.

POLICY AND PROCEDURES:

Adjustment requests are welcomed and SDA administrators are encouraged to submit such requests whenever they believe there are reasonable grounds for adjustments.

Adjustments to the performance measures for individual SDAs will be made in accordance with Section 106 of the JTPA and with the guidelines in the Guide to JTPA Performance Standards for Program Years 1994 and 1995, issued by the DOL, Employment and Training Administration.

1. Requests for adjustment of performance standards must be addressed to the Chief of the Job Training Partnership Division (JTPD). Ideally, the request should clearly identify the standard or standards to be adjusted, the reason for the adjustment, and supporting documentation. However, there are instances where an SDA believes an adjustment would be appropriate but is not certain how to support that belief. In such cases, an SDA may request the adjustment in general terms, and seek technical assistance in developing an adjustment model appropriate for its circumstances.

The following list identifies several circumstances in which adjustments for an SDA may be desirable:

- Statistical imprecision in the regression model;
- Extreme local factor values and/or model-adjusted performance levels;
- Service to hard-to-serve groups which are not included in the model; and
- Local mitigating factors including plant openings or closures, natural disasters, or the unavailability of vocation education institutions.

The list is not all-inclusive, but merely provides examples of unique local conditions or events over which an SDA has no control, yet which may have a significant impact on performance.

In some cases, performance data may not be available. If a particular group has not been tracked previously, there may be no historical data on expected outcomes for that group. In these situations, actual outcomes for a group may be used at the end of the year in a weighted average methodology to offset the impact of service to that group. If available, statewide data may be used for groups not included in the model. SDAs are encouraged to explore such possibilities, and to request adjustments enabling them to provide quality services to those who are truly most in need of JTPA training.

2. Requests for adjustments should be submitted no later than June 30 of the program year in which the requested adjustment is to be effective. However, requests should be submitted as soon as an SDA believes an adjustment may be needed. Please use the following as guides for the best time to submit requests:
 - Requests for adjustments associated with local policy decisions regarding program mix and similar factors should be submitted as soon as it is suspected that such decisions may affect performance. The requests should accompany or, if possible, precede submission of the annual Job Training Plan (JTP) or pertinent modification.
 - Requests for adjustments involving events which occurred after the start of the program year should, if possible, be submitted within 30 days of the event. Even if supporting data are not immediately available, the request should be submitted right away, to get the approval process (including technical assistance) started. Necessary data may be submitted as it is developed or becomes available.

- Requests for adjustments related to extreme model-adjusted standards or extreme values for local factors (as specified in the Guide) should be submitted as soon as the extreme value is identified. Ideally, this would occur as part of the planning process, but circumstances could arise during the program year which would prompt such an adjustment. Keep in mind that changes in program direction that affect performance may also necessitate a modification to the JTP.

Note: Whenever possible, the JTPD will unilaterally initiate these types of adjustments.

- Requests based upon anticipated circumstances may be submitted prior to the program year involved.
3. The JTPD will review requests for compliance with federal and state law, regulations and policy, analyze the appropriateness and technical accuracy of the methodology and supporting documentation, and evaluate the justification for the adjustment.

When an SDA requests an adjustment, it must provide appropriate documentation of the grounds for the request.

Such documentation must meet the following criteria (Section III of the Guide):

- Procedures for adjustments to model-derived standards must be responsive to the intent of the Act, consistently applied among the SDAs, and in conformance with widely accepted statistical criteria.
- Procedures must be applied equitably to every SDA.
- Requests for adjustments should be quantifiable and have a demonstrated relationship to the performance of local programs.
- Source data must be available upon request, and of public use. The data should be developed by a governmental agency at a federal, state or local level, or other reputable source. It may include data contained in a state JTPA Management Information System. For example, a university might use economic data collected from governmental sources, adjust it to coincide with the SDA's geographical configuration (following a prescribed set of procedures) and provide it to the state, along with appropriate documentation, for use in varying the standards. Public use quality means that the information is compiled according to accepted data collection and analytical procedures. Data on active program participants gathered by the SDA are considered public use quality.
- Adjustment factors must be limited to economic factors, labor market conditions, geographic factors, characteristics of the population to be served, demonstrated difficulties in serving the population, and types of services to be provided.

The nature and magnitude of the adjustment to be granted will be arrived at through a process of consultation and negotiation between the JTPD and the

SDA. Upon SDA request, the JTPD will provide individual technical assistance in developing adjustment methods.

4. After the review and negotiation, the JTPD will issue a decision approving or denying the request. Approval may be conditional pending supply of additional data or other factors. If the request is denied, the response will include the reason for the denial, and will indicate whether additional data would justify reconsideration of the request.

As a general policy, the JTPD will not approve adjustments for the following circumstances:

- ***When the standards in question are being exceeded;***
- If the need for an adjustment is a result of SDA management practices.

5. Negative decisions may be appealed via established complaint procedures.
6. Adjustment methodologies approved on the basis of anticipated circumstances will be reviewed at the end of the program year based upon actual events. If the grounds for the adjustment involved anticipated costs which were not incurred, or other anticipated circumstances which did not actually arise, approval of the adjustment will be withdrawn.
7. Although adjustments may be approved on the basis of planned service levels, the actual magnitude of the adjustment will be based upon actual termination data, as reported at the end of the program year, rather than upon planned service levels.

ACTION:

It is the SDA's responsibility to establish, maintain and exercise ongoing controls to ensure compliance with these requirements.

INQUIRIES:

Please direct questions about this Directive to June DeVoe of the Data Analysis Unit, at (916) 654-8298.

/S/ KATHY SAGE
Chief